

# THE MELFORT CLUB

## CONSTITUTION

1. The Club shall be called "THE MELFORT CLUB" (hereinafter referred to as "the Club") and shall have its headquarters at Melfort Village, Kilmelford, by Oban, Argyll PA34 4XD Scotland.
2. The Club shall be an unincorporated association.
- 2.1 **Objects:-**
  - 2.1.1 to secure for its Members joint rights of ownership of specific cottages at Melfort Village and exclusive rights of occupation of these specific cottages for specific periods in each year in perpetuity (save as hereinafter provided) and to provide additional amenities and sporting and other facilities for the Members from time to time (hereinafter called "the additional facilities"). Throughout this Constitution, a reference to the masculine gender shall also include, where appropriate, a reference to the feminine gender.
  - 2.1.2 to seek to provide a safe and attractive location where Members may enjoy privacy, peace and security in their own surroundings during their chosen periods of Membership.
  - 2.1.3 to provide the same conditions as in 2.1.2 to persons renting from the Club or its Members.
  - 2.1.4 to seek to provide the highest standards of health, safety, child, and other protection as required by statute.
- 2.2 **Members:-**

Any person who is currently a Member and has not been suspended under Article 12.5.4.
3. The total number of cottages belonging to the Club shall not exceed 32 in number all complete with such amenities, services, fixtures, equipment, furnishings, plenishings (including bed linen, sheets and towels) and utensils as appropriate to each cottage. A record detailing the state and condition of each cottage along with an Inventory of the whole contents pertaining to each cottage shall be kept and the same shall be updated and revised from time to time as necessary by or under the direction of the Committee elected under Article 8 of this Constitution, or by the Management Company in the event of a Management Company having been appointed as hereinafter provided. The whole contents of said Cottages are the property of the Club.
4. The whole heritable property of the Club comprising said cottages, amenity ground and buildings, rights of access, servitudes and others shall be conveyed to and held in trust for the Members by an Independent Trustee selected and approved by the Members in General Meeting and whose appointment shall be made by the Committee following the style of Deed of Trust annexed hereto. The conveyances to said Trustee of the heritable property of the Club shall secure the interests of all Members, it being understood that such conveyances where relating to specific cottages shall stipulate that such cottages will be used and maintained as holiday cottages, and in all cases may include a clause reserving a right of pre-emption to the Proprietor for the time being of the Melfort House if the affairs of the Club are wound up or the Club in General Meeting decides to sell any of the heritable property held in trust.
5. For each cottage there shall be a maximum of fifty Holiday Certificates in issue. Each Holiday Certificate shall entitle the holder each year (until the expiry of the limited duration (if any) of a Holiday Certificate as stated on the face of a Holiday Certificate) to occupy the cottage to which it relates for the period stated on the face of the Holiday Certificate and to enjoy the additional facilities provided by the Club. Each period is calculated on the basis that it will commence on the first Saturday of occupation of a cottage at 5.00 pm and end on the last Saturday of occupation of a cottage at 10.00 am or such other times as may be specified by the Committee. The periods are numbered 1 to 52 and for the years 1989 to 2067 are set out in the calendar printed in the addendum to this Constitution. Two periods are nominated as maintenance weeks in respect of which ownership is vested in the Committee and for which no Holiday Certificates are issued. Members may also enjoy the additional facilities at other times at the discretion of the Manager or the Management Company, if one has been appointed. Only one Holiday Certificate in respect of each period in each cottage may be in issue at any one time.
6. A Member may subscribe, from time to time (at the discretion and invitation of the Committee and on terms determined by the Committee), to convert a Holiday Certificate held by them into a Premium Holiday Certificate (and any reference in this Constitution to a "Holiday Certificate" shall include a "Premium Holiday Certificate", where appropriate). Any amount paid by a Member by way of said subscription will be allocated to the Holiday Certificate and the Member will thereby acquire a discount (calculated on the basis set out in the terms applicable when the subscription was paid) on the maintenance fees payable in terms of Article 13

of this Constitution in respect of the Premium Holiday Certificate. Any subscription paid in respect of a Premium Holiday Certificate will only be returned to the holder of the Premium Holiday Certificate on the winding up of the Club in terms of Article 22 of this Constitution and in no other circumstances.

7. All holders of Holiday Certificates are automatically Members of the Club and are bound by the terms of the Constitution of the Club. Holiday Certificates are retained by Members or the legal or personal representatives of Members or by the executors or representatives of deceased Members or may, subject to the Committee's consent under Article 12.5.13 be purchased or otherwise acquired from Members or from executors or representatives of deceased Members. When a Holiday Certificate issued with a limited duration expires, without prejudice to the rights of the Club to recover any accrued or accruing liability including arrears of management charges, the holder(s) thereof shall automatically cease to be Members (save where they remain the holder(s) of another Holiday Certificate).
8. The whole business and affairs of the Club shall be managed by a Committee which shall consist of a minimum of three and a maximum of nine persons, all of whom shall be Members of the Club. Committee members shall be elected only at an Annual General Meeting of the Club, but subject to Article 12.5.1. Nominations shall be made in writing and must be proposed and seconded by Members of the Club and must be received by the Club Office no later than 31 January preceding the Annual General Meeting when the nominations are to be considered.

Provided that the Committee shall not comprise more than two Members (and no more than one if the number of members of the Committee is, at any time, four or less) who are holders of a Holiday Certificate of limited duration, and such Members must have a minimum of three years remaining under their Holiday Certificate with limited duration at the date of the AGM at which such members are elected.

9. The Committee shall meet as often as necessary and at least twice in every year. Any two members of the Committee may call a Committee Meeting by notice in writing to all the Committee members at least 14 days prior to the meeting. The Chair of the Committee shall be elected by the Committee. Decisions by the Committee shall be on the basis of a majority of those present and voting and in the event of a tie in voting at Committee meetings, the Chair shall have a second and casting vote. A majority in number of the members of the Committee shall form a quorum. Proper minutes of the proceedings at Committee meetings shall be taken.
10. At each Annual General Meeting of the Club, the two elected members who shall have served the longest on the Committee shall retire and two new members shall be elected. The order in which members of the Committee retire shall be decided initially by the drawing of lots and thereafter retiral shall be by rotation, each member retiring after three years' service on the Committee. Retiring members may offer themselves for re-election.
11. At each Annual General Meeting, the Committee shall report to the Members on who the Committee shall appoint or, as the case may be, re-appoint as a qualified accountant to be the Reporting Accountant in relation to the Club's Accounts. In the event of the position of Reporting Accountant falling vacant for any reason the Committee may appoint a substitute Reporting Accountant. The Reporting Accountant shall be a member of one or more of the following: The Institute of Chartered Accountants of Scotland, The Institute of Chartered Accountants in England and Wales, Chartered Accountants Ireland or the Association of Chartered Certified Accountants.
12. The Committee shall have the following powers and responsibilities:
  - 12.1 The Committee shall have the power to do all things that may be necessary for the objects of the Club and shall be responsible for its general management without incurring any personal liability therefor provided always that any member of the Committee who has committed fraud on the Members of the Club shall remain personally liable in restitution to the Club for the loss so sustained.
  - 12.2 At each Annual General Meeting of the Club, the Committee shall table a report on the management of the Club since the last Annual General Meeting, together with an outline of the Committee's proposed management plans for the sustainable future of the Club. Without prejudice to the preceding paragraph, the Committee shall have regard to comments of Members at the Annual General Meeting on the proposed management plans.
  - 12.3 The Committee shall keep or cause to be kept proper books of account and shall have the same reviewed each year by the Reporting Accountant appointed.
  - 12.4 The Committee shall be entitled, on behalf of the Club, to enter into a Contract with a Manager or a Management Company for the administration of the affairs of the Club generally, including the management of the cottages and the Club's property and additional facilities.
  - 12.5 Without prejudice to the foregoing the Committee shall have the following specific powers:

- 12.5.1 At any time to appoint a Member of the Club to fill any casual vacancy on the Committee through death, illness, resignation or otherwise or where there are less members than the maximum allowed in terms of Article 8. Any such persons so appointed shall hold office only until the next following Annual General Meeting but shall, subject to the second paragraph of Article 8, be eligible, if they are filling a vacancy arising as a result of a Committee member ceasing to be a member, for re-election for the unexpired portion of the period for which the Committee member whom they were co-opted to replace would otherwise have been due to serve and, otherwise, for a term of three years.
- 12.5.2 To make bye-laws at any time for the proper regulation of the Club and such bye-laws shall be binding on all Members of the Club. Such bye-laws shall not conflict with the Constitution.
- 12.5.3 To appoint such Sub-Committees as the Committee deem necessary.
- 12.5.4 To suspend or cancel the Membership of any Member at any time who, in the opinion of the Committee, shall have committed a serious breach of the Rules of Membership as set forth in Article 15 hereof or whose conduct as a Member in the opinion of the Committee, shall be derogatory or injurious to the good name or interests of the Club. Any such Member shall first be notified by the Committee in writing that their Membership may be suspended or cancelled and will be invited to show just cause why such action would not be taken against them. The decision of the Committee shall be final, but shall have due regard to the principles of natural justice.

A suspended Member shall not be allowed to occupy the cottage or cottages in respect of which any Holiday Certificate is held until such time as the Committee lifts such suspension. In the event of cancellation of Membership, the Committee shall at its discretion, be constituted the agent of the Member concerned for the sale of the Member's rights under and in terms of such Holiday Certificate or Holiday Certificates held by the Member and shall account to such outgoing Member for the proceeds of sale, less expenses and any sums owing to the Club, including in terms of Article 12.5.17 hereof. Any deficit on sale shall be for the account of the Member concerned. The Committee shall be empowered to execute all forms of transfer necessary to implement its powers under this Article.

- 12.5.5 To enter into all contracts and agreements which they deem necessary or advisable in connection with the affairs of the Club and to apply the funds of the Club in payment of the expenses of management, administration and running of the Club as detailed in Article 13 hereof, except insofar as these powers may have been delegated to a Manager or Management Company as herein before referred to. No member of the Committee shall have any interest, direct or indirect, in any contract or arrangement with the Club except as disclosed in writing and approved by the Committee.
- 12.5.6 To appoint a qualified accountant as Reporting Accountant to prepare the Accounts of the Club, and to appoint Solicitors and other professional advisers.
- 12.5.7 Power to open and operate bank and building society accounts in name of the Club, and to take all such action as is necessary to control the finances of the Club and in particular to budget for a surplus each year so as to create adequate reserves to meet future expenditure.
- 12.5.8 Power to fix the level of maintenance fees referred to in Article 13 hereof.
- 12.5.9 Power to execute the Deed of Trust referred to in Article 4 hereof if authorised by the Members in the event of the Trustee selected and appointed under the provisions of Article 4 hereof at any time resigning office or the Club terminating such appointment and of the Committee proposing another body or person as Trustee.
- 12.5.10 Power to exercise all borrowing powers conferred upon the Committee in terms of Article 13.1 hereof.
- 12.5.11 Power to operate or control the management of a licensed restaurant by franchise or otherwise.
- 12.5.12 Power to raise Court proceedings on behalf of and in name of the Club for any purpose not in conflict with this Constitution including power to recover all sums which may be due to the Club by Members or others and to defend the Club, its Members, officials, Committee members and employees against any proceedings instituted against the Club or any such person in their capacity as a Member, official Committee member or employee of the Club.
- 12.5.13 The Committee of the Club shall be entitled to withhold consent to the issue or transfer of a Holiday Certificate to any person who or organisation which, in the opinion of the Committee, is considered to be unsuitable to become, and/or to fulfil the responsibilities of, a Member of the Club, or whose

admission to Membership, in the opinion of the Committee, would be contrary to the interests of the Club.

12.5.14 Without requiring any consent or approval pursuant to this Constitution (including pursuant to Article 14 hereof) power to purchase, receive, acquire or otherwise secure ownership of any week(s) for which a valid Holiday Certificate exists from any third party at the discretion of the Manager or the Management Company, if one has been appointed, in consultation with Committee. No voting rights shall be vested in the Committee for these weeks.

12.5.15 Power to rent, lease or otherwise permit occupation of cottages during:

- (i) Any Member's week(s) of occupation at the discretion of the Manager or the Management Company, if one has been appointed, and then only at the specific instruction of the Member concerned and provided all relevant maintenance fees and charges have been paid and Membership has not been suspended. The Manager or the Management Company, if one has been appointed, will be entitled to make an appropriate charge as determined from time to time by the Committee payable by the Member for such services;
- (ii) Any suspended Member's week(s) of occupation and the subsequent remedying by the Member concerned of their serious breach of the Rules of the Club, after any such rental has been entered into on behalf of the Committee, shall not entitle the Member to their week of occupation in the year of the suspension of their Membership but only to the proceeds of such rental, less the charges applied in terms of article 12.5.15 (i);
- (iii) Any week(s) of occupation for which the Club acts as an agent for the Member;
- (iv) Any week(s) for which (a) a valid Holiday Certificate has been secured, purchased, gifted or otherwise vested in the Club and/or (b) for which there is no valid Holiday Certificate in issue at the relevant time.

Any surplus monies arising from (ii), (iii) and (iv) after all charges, debts, and amounts outstanding attached to the week(s) in question have been settled shall be used at the discretion of the Manager or the Management Company, if one has been appointed, and Committee for the benefit of the Club.

12.5.16 Power to issue new and/or replacement Holiday Certificate(s) in accordance with this Constitution but otherwise on terms determined by the Committee in its absolute discretion, including Holiday Certificate(s) of limited duration, the duration of any such Holiday Certificate to be determined by the Committee prior to issue and stated on the face of the Holiday Certificate. For the avoidance of doubt, in the absence of any limitation on its duration being stated on the face of a Holiday Certificate, a Holiday Certificate shall be of unlimited duration.

12.5.17 Power to accept the surrender or relinquishment of a Holiday Certificate by the holder(s) thereof or the personal representative(s) of a deceased holder(s) on such terms as the Committee in its absolute discretion may determine from time to time. For the avoidance of doubt, no Holiday Certificate may be surrendered or relinquished without the consent of the Committee.

12.5.18 Power to cancel (i) any Holiday Certificate held on behalf of or otherwise vested in the Club, and/or (ii) without prejudice to the powers of the Committee pursuant to Article 12.5.4 any Holiday Certificate(s) surrendered or relinquished in accordance with Article 12.5.17.

13. The Members of the Club shall contribute by way of maintenance fees to the whole costs incurred by the Club according to the number of Holiday Certificates respectively held by each Member and the size of cottage to which each Holiday Certificate relates. In addition, Members holding Holiday Certificates issued with a limited duration shall also be liable to contribute an additional annual premium in excess of the maintenance fees otherwise payable by such Member, the amount of such premium (if any) to be determined by the Committee in its absolute discretion from time to time. Not later than December each year the Committee shall fix the level of maintenance fee payable in respect of each cottage for the coming calendar year. The following comprises *inter alia* the costs likely, but not exclusively, to be incurred by the Club:

13.1 Maintenance, repair, redecoration, cleaning, tidying and when necessary renewal and improvement of the structure exterior and interior of the cottages and the whole services, roadways and amenity areas, whether exclusive, common, mutual or otherwise and the additional facilities.

13.2 Maintenance, repair, laundering (as appropriate) and when necessary replacement of the whole furniture, furnishings, plenishings, bed linen, sheets and towels, household and kitchen equipment and utensils, and the fittings and fixtures in, on about or pertaining to the cottages and additional facilities.

- 13.3 Insurance of the Club's property and additional facilities, both heritable and moveable, for the full reinstatement value thereof and any other insurance which the Committee shall consider necessary and appropriate.
- 13.4 The whole outgoings incurred in respect of the Club's property and additional facilities including rates and other charges or impositions, salaries, fuel costs or otherwise.
- 13.5 All works and others which are required to be done to comply with any statutory provisions of the directions or notices of any Governmental, Local or Public Authority.
- 13.6 All administrative and management charges or any other charges whatsoever which may be incurred in the management of the Club's property and additional facilities and the running of the Club's affairs, including (without prejudice to the foregoing generality) the fees and expenses of the Trustee of the Club's heritable property.
- 13.7 The cost of creating reserves to meet extraordinary expenditure as may be incurred by the Club.
- 13.8 The cost of servicing and repaying any borrowing incurred by, or loans made to, the Club in accordance with authority from the Members in General Meeting.
- Except insofar as the same may have been delegated to a Management Company, the Committee shall have sole discretion in deciding what monies should be spent on any of the foregoing purposes and when the same should be spent.
14. The Club shall have power:
- 14.1 to borrow money;
- 14.2 to grant securities and mortgages over its property.
- 14.3 to purchase, lease or otherwise acquire additional property; and
- 14.4 to sell, lease, grant servitudes and wayleaves over, or otherwise dispose of its property or any rights over its property.
- but the foregoing powers shall be exercisable only upon a decision by a three-quarters majority of votes cast at a General Meeting of the Members of the Club.
15. The following are the **Rules of Membership** which apply to all Members:
- 15.1 A Member shall not occupy the cottage to which their Holiday Certificate relates for longer than the appropriate period of time in each year as stated on their Holiday Certificate and as defined in Article 5 hereof. Cottages will not be used for any trade, occupation, business or commerce. Anything which may in any way constitute or be a nuisance to any other Members of the Club or any other person is prohibited. Without prejudice to this generality, it is prohibited to dry clothes outside, except in areas approved for that purpose. The noisy playing of radios, music players, televisions or other instruments at the cottages or elsewhere in such a way as to constitute a nuisance to neighbouring Members is prohibited. Dogs, cats and other pets shall at all times be kept under control and must not be allowed to do anything which might cause any damage to any of the Club's property or anyone else's property or might in any way be a nuisance to other Members of the Club or anyone else. The ground belonging to the Club so far as unbuilt on shall be used as amenity ground only.
- 15.2 A Member shall keep and maintain the cottage (both structure and contents) to which their Holiday Certificate relates in a reasonable state and condition during the period of their occupancy, and shall be personally liable for any damage, deterioration, or dilapidations over and above fair wear and tear which may have taken place during their period of occupation, as to which the Committee or their representative or in the event of a Management Company having been appointed, the Management Company shall be the sole judges.
- 15.3 In the event of any repair or maintenance work requiring to be carried out to the cottage or its contents during the period of a Member's occupancy of the cottage, reasonable access shall be allowed to tradesmen, and others to enable such work to be carried out.
- 15.4 Nothing shall be done during the period of occupancy of any cottage which would make void or voidable the insurance of the cottage and its contents or any insurance, whether relating to such cottage or not, arranged by the Committee for the wider benefit and protection of the Club. In the event of the Member contravening or allowing the contravention of this Rule and any insurance monies not being recoverable as a result, the Member shall be personally liable for the amount irrecoverable.
- 15.5 No alterations to any cottage or its contents is allowed without the written consent of the Committee or their representative or Management Company if appointed.

- 15.6 Payment shall be made **within one month** of the same being demanded of the annual **maintenance fees** fixed by the Committee. In the event of any maintenance fees in respect of any Holiday Certificate held by a Member or other sum due by the Member in terms of the Constitution and Rules of the Club not being paid when due, the Member commits a serious breach of the Rules of the Club and their Membership may be suspended in terms of article 12.5.4 and the Committee or their representative or the Management Company as the case may be, shall be entitled to refuse the Member in question and the Member's representatives, successors, transferees and nominees whomsoever, occupation of any cottage to which the Member holds a Holiday Certificate until all arrears have been settled, subject to the terms of article 12.15.1(ii) hereof.
- In the event of any such sum not being paid within the said period of one month, the Committee shall be entitled to suspend the Membership of the Member for a serious breach of the Rules of the Club, to charge an administration fee of £50 or such higher amount as the Committee may from time to time fix in respect of each Holiday Certificate in respect of which a Member has not made payment and levy interest on any such sum (including the administration fee) at the rate of two per cent per annum above the base lending rate charged from time to time by the Bank of Scotland and that from the date on which payment was due until payment of such sum is made in full to the Club.
- In the event that the Club or the Management Company as the case may be, are required by any Governmental, Local or Public Authority to close or limit the access to any part of the property of the Club, the Members affected by said restrictions shall not be entitled to any compensation for the loss of or restriction to their occupation of the cottage to which their Holiday Certificate relates but the Committee will, at its discretion, consider on a case-by-case basis and in light of the then and future prevailing circumstances taking such steps as they consider reasonable, appropriate and justified (bearing in mind the interests of all the Members) to provide the relevant Members with some form of benefit.
- 15.7 All electricity consumed during a period of occupancy shall be paid for immediately following the reading of meters at the end of the period of occupancy.
- 15.8 All Members shall notify the Club Office forthwith of any change of address.
- 15.9 In the event of a Member intending to let or cede the right of occupancy of the cottage to which their Holiday Certificate relates, they shall be entitled to do so provided all relevant maintenance fees and charges have been paid and their Membership has not been suspended. Intimation shall be made in writing not less than seven days prior to the first date of such intended let or grant of occupation of the cottage to the Committee or their representatives or the Management Company if appointed, with notification of the name and address of the person to whom they intend to let the premises or cede their right of occupation.
- 15.10 A Member or, in the circumstances set out in Article 12.5.14 the Club who lets or otherwise grants a right of occupation of the cottage to which their or its Holiday Certificate relates remains primarily responsible for all the obligations incumbent on the holder of a Holiday Certificate under the Constitution and without prejudice to the foregoing generality in particular during the period of such let or occupation. The occupants under a let or grant whilst being able to enjoy the amenities and additional facilities of the Club during the week(s) in question shall be bound to observe the Rules in this Article and the bye-laws of the Club.
- 15.11 All Members shall observe any further regulations and bye-laws made by the Club, the Committee or by the Management Company with the approval of the Committee.
- 15.12 Where a Holiday Certificate is registered in the name of more than one person all obligations incumbent on the owners of such Holiday Certificate shall be joint and several.
16. Subject always to Article 12.5.13 of this Constitution any Member or their legal or personal representatives may at any time sell, gift, bequeath or otherwise transfer a Holiday Certificate to a third party. In the event of a Member dying, their executors or representatives may sell their Holiday Certificate to a third party or transfer it to an heir or legatee provided that such sale or transfer shall also be subject to the Committee's consent under Article 12.5.13. Save to the extent otherwise provided herein, no person who is not a Member of the Club may hold a Holiday Certificate. Upon a person ceasing to hold a Holiday Certificate, their Membership of the Club shall cease. All Transfers by way of sale or otherwise relating to Holiday Certificates shall be in a style approved by the Committee.
17. Unless consent has been withheld by the Committee in terms of Article 12.5.16 of this Constitution, immediately upon a transfer of a Holiday Certificate the Holiday Certificate, together with a properly signed Deed of Transfer in the style approved by the Committee shall be delivered by the transferee to the Committee or to the Management Company if appointed and the Committee or Management Company will then endorse the Holiday Certificate to disclose the name and address of the new holder and will return the endorsed Holiday Certificate to the new holder and shall register the new holder as a Member of the Club. A transfer shall only be registered and treated as valid once all sums due and owing to the Club by the transferor

have been fully paid up and provided consent to the transfer has not been withheld by the Committee in terms of Article 12.5.13 of this Constitution.

18. The Annual General Meeting of the Club shall be held at least once in every calendar year at such place as the Committee shall decide and on such a date in the month of April or other month as the Committee may decide. It shall be called by a notice sent to all Members not less than twenty-one days before the day of the meeting with the Agenda of the business to be conducted at the Meeting.
19. The Committee may, of its own resolve, or must upon request in writing by Members holding among them not less than thirty Holiday Certificates, call a Special General Meeting of the Club and such meeting shall be called in the manner prescribed for an Annual General Meeting.
20. At every General Meeting the Chair of the Committee, whom failing a Chair appointed by a majority of those present at the meeting shall preside. Each Member shall be entitled to one vote for each Holiday Certificate held unless their Membership has been suspended but only up to a maximum of eight votes notwithstanding how many Holiday Certificates are held by such Member. Joint holders of a Holiday Certificate shall have only one vote between them for each Holiday Certificate held but only up to a maximum of eight votes notwithstanding how many Holiday Certificates are held between them. Votes may be cast either personally or by a proxy duly authorised in writing and in a format approved by the Committee on the proxy form provided with the notice of the relevant meeting and received at the Club Office not less than seven days in advance of that meeting. At all meetings in the case of an equality of votes, the Chair of the meeting shall have a second and casting vote. In the case of a Special General Meeting; no business other than that specifically stated in the Notice calling the meeting may be considered. Any resolution to be proposed otherwise than by the Committee at any General Meeting of the Club shall be intimated in writing to the Committee not less than forty two days before the date of the meeting and shall be signed by the proposer and by a seconder. Both the proposer and the seconder, must have been Members of the Club for at least one full calendar year before the date of such intimation. The number of resolutions per proposer per General Meeting is limited to two. Any resolution proposed shall deal with only one issue. A proposed resolution which attempts to address more than one issue (a composite resolution) shall be considered null and void and shall not be put before the Membership. The Committee shall intimate the terms of any validly proposed resolution(s) to all Members not less than twenty one days before the date of the Meeting and shall invite the Membership to vote on such resolution(s) either by proxy or in person as described above. Any resolution involving a change in the Constitution shall require a three quarters majority of all votes cast.

For the purposes of this Article Members, which are Companies incorporated under the Companies Acts applicable to the United Kingdom and which are effectively under the control of some or all of the same Shareholders or Directors or who have Shareholders or Directors common to each of such Companies, shall be deemed to be a single Member and are accordingly only entitled to one vote for each Holiday Certificate held by such Companies up to the maximum of eight votes as herein provided.

21. The financial year of the Club shall end on 31 December or such other date as the Committee may decide in each year. It shall be the responsibility of the Committee to ensure that correct accounts and books are kept, showing the financial affairs and intromissions of the Club and a statement of the Accounts and Balance Sheet of the Club, together with a Report by the Reporting Accountant shall be submitted to each Annual General Meeting.
22. In the event of the assets of the Club for any reason being distributed amongst the Members of the Club, the Members with a Premium Holiday Certificate shall first be paid the amount of the subscription (net of VAT) paid on said Holiday Certificate and the balance shall be distributed in proportion to the relative market values of the Holiday Certificates of unlimited duration only and Membership rights contained within and related to or derived from such Holiday Certificates of unlimited duration held by the Members at the date of distribution the market values to be determined on the assumption that the Club is continuing as a going concern and such values to be fixed, failing agreement, by an independent surveyor to be appointed by the Chairman of the Scottish Branch of the Royal Institution of Chartered Surveyors, whose decision as an expert shall be final and binding on all parties involved. For the avoidance of doubt, a Member or holder of a Holiday Certificate issued with a limited duration shall not, in respect of such Holiday Certificate, share in any distribution of the assets of the Club. In the event of the conveyance of any property of the Club, whether by the Trustee or otherwise, the title to the property may be taken in the name of the Club and all necessary deeds including Standard Securities or other documents of debt may be executed on behalf of the Club by the Committee or such of their number but not less than two as the Committee may direct.
23. Any dispute or difference arising out of these presents shall be referred to the decision of a single expert, to be agreed between the parties or in default of agreement to be appointed on the application of either party by the President for the time being of the Law Society of Scotland, to act as an expert and not an arbiter,
24. The Law of Scotland shall apply to the construction of these presents.

This is a true copy of the Melfort Club Constitution amended at a Special General Meeting of the Club held on 5<sup>th</sup> November, 2020.

Committee Members:

.....Sir Tom Troubridge, Committee Chair

.....Prof. Kenneth Cochran

.....Calum Jones

.....David Manson

.....David Miller

.....Simon Shearer

.....Sally Smith MBE